Client Level Reporting Toolkit For

Professional Employer Organizations

Unemployment Insurance Agency

Client Level Reporting Toolkit For

Professional Employer Organizations

Inside

Who to Contact

For registering clients, updating client lists, general information or non-technical support, please contact Tax Status at:
Phone: (313) 456-2080 or email PEO@michigan.gov.

If you have questions about MiWAM or need technical assistance, please contact:
MiWAM Support at (313) 456-2188 or email MiWAMsupport@michigan.gov.

Client Level Reporting

Introduction

Under a recent amendment to the Michigan Employment Security Act (MES), Professional Employer Organizations (PEOs) in Michigan must register their client entities with each having its own individual UIA Employer Identification number. PEOs are required to convert to client level reporting by January 1, 2014.

Under the new law, PEO's are required to notify the UIA within 30 days of acquiring a new client entity, and within 30 days of ending the PEO relationship. The statute clarifies that the PEO is considered the employer, for purposes of claims management and hearings, of the employees it leases back to its client entities.

From MES Act: Sec. 13m (1): A professional employer organization that has not previously filed shall file a report with the agency in accordance with R 421.121 and R 421.190 of the Michigan administrative code for a determination of its status as a liable employing unit and employer under this act. A PEO determined to be a liable employer shall complete an electronic employer registration in the manner approved by the agency to register its employer liability.

With Client Level Reporting, the PEO can now provide the UIA with the information reported by client entity that the UIA needs to keep track of the unemployment "experience" of each client entity and calculate the state unemployment tax rate for each client entity. The PEO can then file Form UIA 1028, Employers Quarterly Wage/Tax Report on behalf of each of its listed client entities. See electronic payment options on pages 16-18 of this toolkit.

Client Level Reporting

Getting Started

To begin the process of client level reporting a PEO should provide a list of PEO clients to the UIA. The list should contain if known:

- the employer name,
- the federal employer identification number (FEIN),
- the UIA account number (if any) and
- doing business as name (DBA, if any).

From this initial list, the UIA can check each client to see if the company has an active UIA account, an inactive/terminated UIA account or no UIA account at all.

If a PEO has a client, usually a sole proprietor, who has no federal employer identification number (FEIN), a FEIN must be obtained from the IRS before the business can be registered with the UIA. In the event that a FEIN also sometimes called an EIN is needed, an application can be made to the IRS to obtain such a number at the following website: *http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Apply-for-an-Employer-Identification-Number-(EIN)-Online*

From the listing, the UIA can provide detail on which clients must be registered with the UIA. It can also provide information on which accounts are currently active, meaning sub-accounts or location accounts will be necessary if the client is leasing only a portion of its employees. At this point, the Agency can also provide tax rate information for current active clients, client accounts to be resumed, or communicate that the new employer tax rate will apply.

For clients who will be leasing only a portion of their employees from the PEO and reporting payroll for non-leased employees, sub accounts or chargeable location accounts must be established. Each location account is indicated by a three- digit extension added to the end of an employer account number. If there are no location accounts, the last three digits are zeros.

- At least two chargeable location accounts must be established to allow for both a client and the PEO to file payroll each quarter.
- Additional location accounts may be established if desired.
- Once a chargeable location account is established it must be used by the PEO for reporting.
- The three digit extension of 000 should not be used for clients with location accounts.
- Unused location accounts should be closed to prevent any penalties for late filing or non-filing.

Note: It is important that you determine whether your client plans to report a portion of their own payroll. This is the only way you will know if location accounts need to be established. Remember, only one report can post to the employer's tax account and the other(s) will be considered as duplicates or invalid if location accounts are not created.

Client Level Reporting

Registration Process

When a PEO is informed of the clients who must be registered, the client registration process can begin. Each client must be registered either online through the Michigan Business One Stop at www.michigan.gov/business; or using Form 518, Registration for Michigan Taxes. Form UIA 1005, Registration for Client Level Reporting, may also be used until March 31, 2014.

If the PEO is located in Michigan, the PEO must register for a UIA account. If the PEO is already registered, no further registration action is needed. If the PEO is located out of state, no registration action is needed.

A MiWAM account must be established by the PEO to comply with online filing requirements. See the MiWAM Toolkit for instructions on establishing a MiWAM account. Page 7 of this Toolkit provides details on establishing electronic filing permissions for your clients.

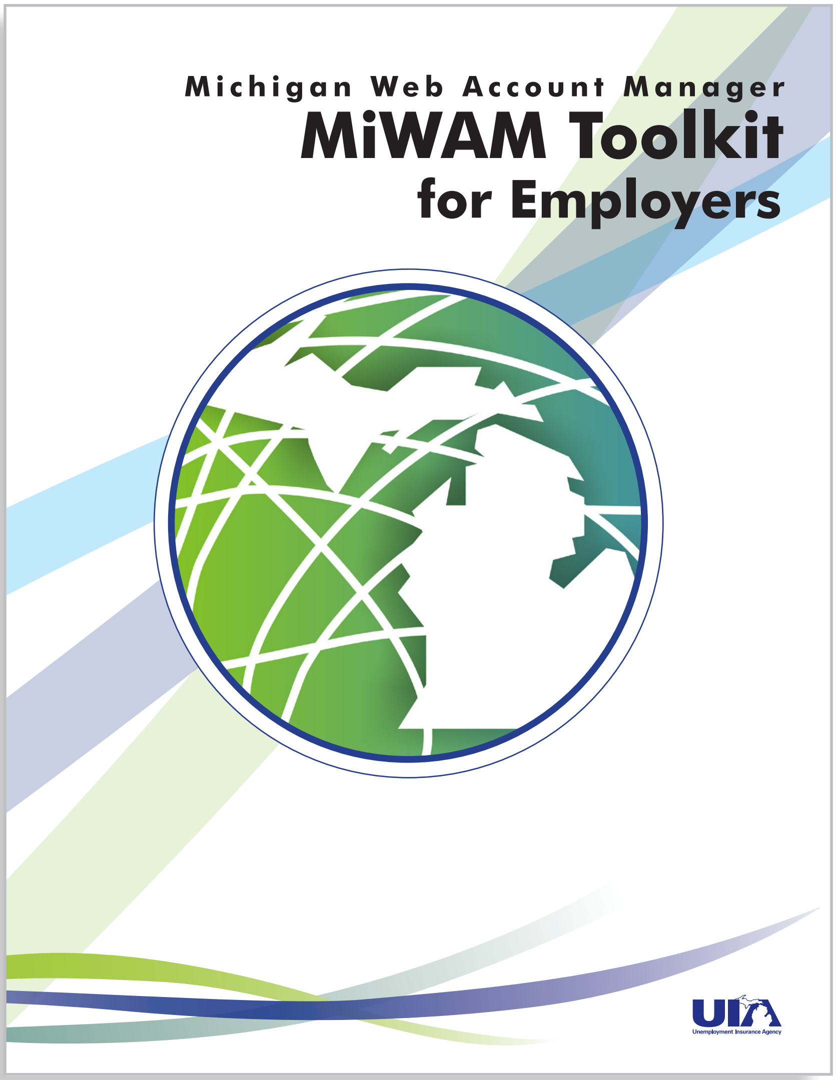
Establishing a PEO/Client Relationship

The PEO must provide a list identifying all of the clients for whom you will be submitting payroll. This listing should be submitted by email to PEO@michigan.gov. The UIA will then establish the proper PEO/Client link. Once a PEO/Client link is established, the PEO has access to its client accounts just as a power of attorney would have. Use Form UIA 1003, PEO Client Update, to identify each quarter, any clients who are joining or departing your PEO. This form may also be submitted to PEO@michigan.gov.

Online Reporting through MiWAM

Filing of reports on behalf of client entities has never been easier. PEOs can log on to their account through the Michigan Web Account Manager (MiWAM) or create a MiWAM account at michigan.gov/uia. Click on "Michigan Web Account Manager for Claimants and Employers" to start the process.

The following section includes information taken from the MiWAM Toolkit for Employers, including bulk file formats.



View or download the MiWAM Toolkit at michigan.gov/uia. Click on the MiWAM Toolkit for Employers.

Bulk Report Filing Formats

Report Batch/File Header

Field Name	Data Type	Size	Format	Description
Record Type	**String**	**1**	**X(1)**	**Identifies the file header ("F")**
Number of 1028	**Integer**	**7**	**9(7)**	**Recon Field - Should match the total number of "H" Records.**
Total Gross Wages	**Integer**	**13**	**9(11)V99**	**Recon Field - Should match the sum of the Total Gross Wage of all the "H" Records, right justified and padded with zeros to the right.**
		21		

Tax portion of the 1028

Field Name	Data Type	Size	Format	Description
Record Type	String	1	X(1)	Identifies it as non Wage Data ("H")
Sequence	Integer	3	9(3)	Sequence of the 1028 in the batch.
Employer Number	Integer	10	9(10)	Combines the employer number and multi-unit number.
Quarter Ending	Integer	5	QCCYY	Q = 1,2,3 or 4
Gross Wages	Integer	13	9(11)V99	Gross Wages field on the tax portion of the 1028, right justified and padded with zeros to the left.
Excess Wages	Integer	13	9(11)V99	Excess Wages field on the 1028, right justified and padded with zeros to the left.
Workers 1st Month	Integer	6	9(6)	Number entered in the 1st Month field of the 1028, right justified and padded with zeros to the left.
Workers 2nd Month	Integer	6	9(6)	Number entered in the 2nd Month field of the 1028, right justified and padded with zeros to the left.
Workers 3rd Month	Integer	6	9(6)	Number entered in the 3rd Month field of the 1028, right justified and padded with zeros to the left.
Final Report	Integer	1	9(1)	Final Report Check Box. Enter 1 for 'Yes', 0 for 'No'
Apportionment	Integer	1	9(1)	Apportionment Check Box. Enter 1 for 'Yes', 0 for 'No'
Amended	Integer	1	9(1)	Amended Check Box. Enter 1 for 'Yes', 0 for 'No'
Number of Wage Records	**Integer**	**7**	**9(7)**	**Recon Field - Should match the total number of Wage Records and Out of State Records for this 1028, right justified and padded with zeros to the left.**
Total Gross Wages	**Integer**	**13**	**9(11)V99**	**Recon Field - Should match the sum of the Emp Gross Wages and Emp Gross Out of State Wages fields from the Wage Records for this 1028, right justified and padded with zeros to the left.**
		86		

Wage portion of the 1028

Field Name	Data Type	Size	Format	Description
Record Type	String	1	X(1)	Identifies it as Wage Data ("W")
Employer Number	Integer	10	9(10)	Combines the employer number and multi-unit number. No spaces.
Quarter Ending	Integer	5	QCCYY	Q = 1, 2, 3 or 4
SSN	Integer	9	9(9)	Employee Social Security Number. No spaces or dashes.
Emp Last Name	String	16	X(16)	Employee Last Name, left justified and padded with spaces to the right.
Emp First Name	Sting	12	X(12)	Employee First Name, left justified and padded with spaces to the right.
Emp Middle In	String	1	X(1)	Employee Middle Initial. May be a blank space.
Emp Gross Wages	Currency	10	9(8)V99	Employee Gross Wages, right justified and padded with zeros to the left.
Family Status Indicator	Integer	1	9(1)	Family Status Indicator. Use 1 for Yes and 0 for No. May be a blank space.
		65		

UIA
Unemployment Insurance Agency

Bulk Report Filing Formats

Out of State portion of the 1028

Field Name	Data Type	Size	Format	Description
Record Type	String	1	X(1)	Identifies it as Wage Data ("O")
Employer Number	Integer	10	9(10)	Combines the employer number and multi-unit number. No spaces.
Quarter Ending	Integer	5	QCCYY	Q = 1, 2, 3 or 4
SSN	Integer	9	9(9)	Employee Social Security Number. No spaces or dashes.
Emp Last Name	String	16	X(16)	Employee Last Name, left justified and padded with spaces to the right.
Emp First Name	Sting	12	X(12)	Employee First Name, left justified and padded with spaces to the right.
Emp Middle In	Sting	1	X(1)	Employee Middle Initial. May be a blank space.
State	String	2	X(2)	Identifies the state/region the wages were earned and UI was paid previous to Michigan. (Includes District of Columbia, Virgin Islands, and Puerto Rico). This is a required field.
Emp Gross Out of State Wages	Currency	10	9(8)V99	Year-to-Date Employee Gross Out of State Wages, right justified and padded with zeros to the left.

Bulk Payment File Format

The file format below represents one bulk file of payments in MiWAM including a file/batch header and a payment detail section.

Payment Batch/File Header

Field Name	Data Type	Size	Format	Description
Record Type	String	1	X(1)	Identifies the record as a header record ("H")
Number of Payments	Integer	7	9(7)	Recon Field - Should match the total number of "P" records in the batch, right justified and padded with zeros to the left.
Total Payment Amount	Integer	13	9(11)V99	Recon Field - Should match the total amount of all payments in the "P" records in the batch, right justified and padded with zeros to the left.
		21		

Payment Detail Record

Field Name	Data Type	Size	Format	Description
Record Type	String	1	X(1)	Identifies the record as a detail record ("P")
Employer Number	Integer	10	9(10)	Combines the employer number and multi-unit number. No spaces or dashes.
Quarter Ending	Integer	5	QCCYY	Q = 1,2,3 or 4
Payment Amount	Integer	13	9(11)V99	Amount of payment designated to this employer, right justified and padded with zeros to the left
Payment Type	String	1	X(1)	R = Report, L = Loose, A = Amended Report, V = Voluntary, W = Warrant
		30		

Export File Formats

With these export file formats, employers can download the information from Form UIA 1136, which is exported weekly, and the rate export files, which are available on a quarterly basis, prior to the issue of the 1028 - generally the last week of the quarter.

Rate Exchange File Layout

Field Name	Data Type	Size	Format	Description
Employer Number	Integer	10	9999999999	10 digit employer account number
Filler	String	7		Spaces
Calculated Tax Rate	Decimal	5	00.000 or 99V9999 no decimal in field	This is calculated by summing the ABC, CBC, and NBC. Note: Tax Due is rounded to the nearest dollar
Obligation Assessment and Other Rate Factors	Decimal	4	0.000 or 9V9999 no decimal in field	This is calculated by summing the OA and other Rate Factors Note: OA and Others Factors Due is not rounded to the nearest dollar
Account Balance	Currency	11	(-)000000000.00 or S9 (9) V 99	Current account balance
Filler	String	15		Spaces
Employer Name	String	30	AAAAAAAAAAAAAAAAAAAAAAAAAAAAAA	First 30 characters of employer name

UIA 1136 Export File

Field Name	Data Type	Size	Format	Description
Employer Number	Numeric	10	9999999999	UIA employer account number
Claimant SSN	Numeric	9	999999999	SSN of Claimant related to charge/credit
Processed Date	Date	8	mmddyyyy	Date the charge/credit posted to employer
Week Ending Date	Date	8	mmddyyyy	Benefit week ending date for the charge/credit
Adjustment Type	String	2	XX	Two character code identifying the type of charge/credit
Earned Income	Numeric	11	S999999999V99	Signed field which indicates the Income reported by claimant for benefit week
Charge/Credit Amount	Numeric	11	S999999999V99	Signed field which indicates the charge/credit for the claimant for the benefit week
Claimant Last Name	String	17	Left Justified	Last name of the claimant
Claimant First Initial	String	1	Left Justified	First initial of the claimant
	Total	77		Fixed Width

This file is generally available on Tuesday every week.

UIA Unemployment Insurance Agency

Power of Attorney

Client File Format

The POA client format is used for:

- Setting permissions in MiWAM for account access for clients
- Establishing start dates for client level reporting for PEOs and to satisfy the UIA requirement for client level PEO reporting
- Creating and submitting Work Opportunity Tax Credit applications
- Accessing other unemployment matters

Power of Attorney (POA) Client File

Field Name	Data Type	Size	Format	Description
UIA Account Number	Numeric	10	9999999999	Unemployment Insurance Agency Account Number
FEIN	Numeric	9	999999999	Employer - Federal Employer Identification Number
Reports and Payments	Alpha	1	Y = Yes N = No	This is a permission field. If set to yes, this gives the third party permission to a subset of services categorized as Reports And Payments • Single Report Filing (including amendeds) • Bulk Report Filing (including amendeds) • Single Payment • Schedule for Automated / Recurring Payment • Payment Plan • Bulk Payment Filing • Create ePayment Account Profile • Access Yearly Wage Breakdown
Account Maintenance	Alpha	1	Y = Yes N = No	This is a permission field. If set to yes, this gives the third party permission to a subset of services categorized as Account Maintenance • Disclosure of Account • Tax Rate History • IRS Certification of Accounts • Discontinuance of Business – 1772 • Standalone Request for Transfer of Business • Apply for Refunds / Overpayment • Application for Designation as a Seasonal Employer • Employer Application for Determination of Employment Status • Michigan Tax Credit

UIA Unemployment Insurance Agency

Power of Attorney
Client File Format

Power of Attorney (POA) Client File

Field Name	Data Type	Size	Format	Description
Tax Issues and Assessments	Alpha	1	Y = Yes N = No	This is a permission field. If set to yes, this gives the third party permission to a subset of services categorized as Tax Issues and Assessments • View Assessment / Collection Activity • Clearance of Account • Tax Protest • Request for Removal of Penalty and Interest
Benefit Services	Alpha	1	Y = Yes N = No	This is a permission field. If set to yes, this gives the third party permission to a subset of services categorized as Benefit Services • View Benefit Charges and Credits - 1770/1136/1136 File Export • Non-Monetary Benefit Protest / General Protest • Response for Separation Information for Non-Monetary Issues (UIA 1713 Process) • Request for Registration and Seeking Work Waiver (RSW)
WOTC	Alpha	1	Y = Yes N = No	This is a permission field. If set to yes, this gives the third party permission to a subset of services categorized as WOTC • Work Opportunity Tax Credit (WOTC) • Work Opportunity Tax Credit (WOTC) POA - IRS 2848 The begin date can either be in the future or the past
WOTC Begin Date	Date	8	MMDDYYYY	
WOTC End Date	Date	8	MMDDYYYY	The end date must be greater than the start date.
Confidential Information	Alpha	1	Y = Yes N = No	Power of Attorney selection: Inspect or receive confidential information regarding the client.
Oral/written presentation	Alpha	1	Y = Yes N = No	Power of Attorney selection: Represent the client and make oral/written presentation of fact or argument.
Sign Returns	Alpha	1	Y = Yes; N = No	Power of Attorney selection: Sign reports on the clients behalf.
Agreements	Alpha	1	Y = Yes N = No	Power of Attorney selection: Enter into agreements for the client.
Receive Tax Forms	Alpha	1	Y = Yes N = No	Power of Attorney selection: Receive Client Tax Forms
Receive Claims Control Forms	Alpha	1	Y = Yes N = No	Power of Attorney selection: Receive Client Claims Control Forms.
Receive Contested Claims Forms	Alpha	1	Y = Yes N = No	Power of Attorney selection: Receive Client Contested Claims Forms.
UIA POA End Date	Date	8	MMDDYYYY	Used for limited term POA'sThe end date must be greater upload date
PEO Client Reporting Begin	Date	8	MMDDYYYY	Date client level reporting to begin for a Professional Employer Organization client account
Action	Alpha	1	A = ADD M = Modify D = Delete	When adding a new client this field should be marked with an 'A' When making any modifications to a client this field should be marked with a 'M' When deleting a client this field should be marked with a 'D' and all permission fields should be set to 'No'
	Total	64		Fixed Width

UIA
Unemployment Insurance Agency

UIA 1005
(Rev. 07/11)

LARA
LICENSING AND REGULATORY AFFAIRS
CUSTOMER DRIVEN. BUSINESS MINDED.

Registration for Client Level Reporting

1. Client Federal Employer Identification Number, Required.

Print Form | Reset Form

2. Client Company or Owner's Name (include, if applicable, Corp., Inc., PC, LC, LLC, LLP, etc.) Required.

3. Business Name, Assumed Name or DBA (as registered with the county).

4. Physical Address of the actual Michigan location of the client. Not a PO Box. Required.

Street Address			
City	State	ZIP code	Client Telephone Number

5. Mailing Address. Where all forms from UIA will be sent, unless otherwise instructed.

Street Address		
City	State	ZIP code

6. Enter the two digit Business Ownership Type code from the list below.

Sole Proprietorship 10	Any Other Michigan Corporation 40
Husband/Wife Proprietorship 20	Any Non-Michigan S Corporation 51
Any Other Type of Partnership 30	Any Other Non-Michigan Corporation 50
Limited Partnership 33	Trust or Estate (Fiduciary) 60
Limited Liability Company (LLC, LC, LLP) .. . 34	Joint Stock Club or Investment Company 70
Michigan S Corporation 41	Social Club or Fraternal Organization 80
Michigan Professional Corporation 42	Any Other Type of Business 90

7. Enter the Business Code (SIC) that best describes the client's business (see Business Codes page in Form 518)

8. UIA Account Number previously assigned to client, if known.

9. Date client level reporting to begin.

Month	Day	Year

10. PEO Information.

PEO Name	PEO FEIN

Schedule B must be completed if the client has been involved in a business transfer. I certify that the information provided on this form is true, correct, and complete to the best of my knowledge and belief.

Printed Name of Authorized Agent	Signature of Authorized Agent	Telephone Number

LARA is an Equal Opportunity Employer/Program.

Service Provider Forms

UIA 1003
(Rev. 1-2014)

Authorized by
MCL 421.1, et seq.

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
UNEMPLOYMENT INSURANCE AGENCY (UIA)
3024 W Grand Blvd. Detroit, Michigan 48202
FAX: 313-456-2131
INTERNET: www.michigan.gov/uia

LARA
LICENSING AND REGULATORY AFFAIRS
CUSTOMER DRIVEN. BUSINESS MINDED.

PEO Client-Level Update

This form is intended for use by Professional Employer Organizations (PEOs) to report the signing on or departure of clients.

1) Provide the following for each client: UIA employer account number, Federal Employer Identification Number (FEIN), business name, whether the described entity is a new client or a departing client, and the date of the change.

2) Once completed, email the form to PEO@Michigan.gov .

UIA Account Number	FEIN	Employer Name	New Client	Departing Client	Date of Change
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			☐	☐	
			☐	☐	
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UIA Form 5326 (rev. 4/2013)

State of Michigan
Department of Licensing and Regulatory Affairs
UNEMPLOYMENT INSURANCE AGENCY

CERTIFICATION BY PEO
REGARDING PAYMENT OF WAGES TO LEASED EMPLOYEES

Each year, the Unemployment Insurance Agency (UIA) must certify to the Internal Revenue Service (IRS) the Michigan employers that have paid their state unemployment taxes in full and on time, in order for the employers to receive a credit against the tax assessed by the IRS under the Federal Unemployment Tax Act (FUTA). Because of the unique “co-employer” relationship between a Professional Employer Organization (PEO) (sometimes known as an “Employee Leasing Company,” or “ELC”) and its client entities, either the PEO or its client entities (but not both) may be entitled to the FUTA tax credit. The IRS has directed the UIA that the FUTA tax credit must be issued to whichever of the two co-employers (PEO or client entities) is in control of the payment of the wages to the leased employees. Specifically, the IRS has provided guidance that the UIA must determine whether the PEO’s payment of wages is based upon one of two business and/or contractual arrangements:

Business Arrangement 1:
In the first arrangement, a PEO’s payment of wages is based upon it first receiving funds from the client for paying wages to the leased employees. Under this arrangement, the federal guidance provides that the client entity would be certified by the UIA to receive the FUTA credit. If this business arrangement describes your business practice, **it is not necessary for the PEO to complete this Form; in such instances, the client entities named on page 2 of this Form will receive the FUTA certification.**

Business Arrangement 2:
In the second arrangement, the UIA must make a finding that the PEO is being reimbursed by the client entity after the wages are paid to the leased employees. Under this arrangement, the federal guidance provides that the PEO is in control of the wages and, therefore, entitled to the FUTA certification credit. If this business arrangement describes your business practice, and the PEO seeks the credit, then, to ensure an accurate finding by the UIA, the PEO **must provide to the UIA, not later than November 30 of any year (to be effective for the 940 certification due to the IRS by the following January 31)**, a completed copy of this Form, including page 2, signed below by an owner, officer, or director of the PEO.

CERTIFICATION BY PEO AS TO CLIENT ENTITIES NAMED ON PAGE 2 OF THIS FORM
I certify that, under the contractual relationship between the Professional Employer Organization (PEO) I represent and the client entities named on page 2 of this Form, the PEO pays wages to the employees it leases to the named client entities, and thereafter receives reimbursement for those wages from the named client entities (that is, **Business Arrangement 2**). Year or period covered ____________________ Signature of PEO owner, officer, or director Printed name:____ Title:____ Name of PEO: ______________________________ FEIN of PEO:________________________

UIA Form 5326 (rev. 4/2013)

CERTIFICATION BY PEO REGARDING PAYMENT OF WAGES TO LEASED EMPLOYEES
Page 2

NAME OF CLIENT ENTITY	UIA ACCOUNT NUMBER OF CLIENT ENTITY	FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN) OF CLIENT ENTITY

PLEASE USE ADDITIONAL SHEETS OF PAPER TO PROVIDE THE INFORMATION REQUESTED ABOVE AS TO MORE CLIENT ENTITIES.

Bulk Payments - General Information and Instructions

UIA
Cadillac Place • 3024 West Grand Boulevard
Detroit, Michigan 48202
www.michigan.gov/uia

Unemployment Insurance Agency
FACT SHEET
State of Michigan • Department of Licensing and Regulatory Affairs

FACT SHEET #154 FEBRUARY 2014

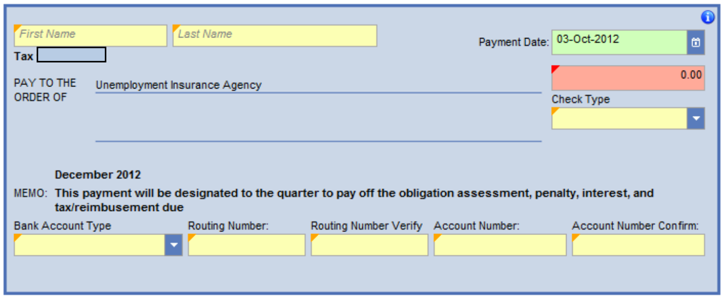
Employer Electronic Payment Options

Employers have the option to pay their quarterly unemployment tax liability electronically by Automated Clearing House (ACH) Credit or ACH Debit (a single payment or Bulk Payment functionality to pay for multiple employer accounts). These options make paying taxes simpler and more convenient. Employers who wish to pay their unemployment quarterly taxes by ACH Debit do so through their Michigan Web Account Manager (MiWAM). Please note there is a $5,000,000 transaction cap on payments made through MiWAM. There is no limit for the ACH Credit option which is arranged through your financial institution.

ACH Debit Transmissions

Employers who wish to pay their unemployment taxes through their MiWAM Account must verify with their financial institution that they have the ability to authorize a debit from their bank account. Some financial institutions offer a service referred to as "Debit Blocking" to their customers to prevent unauthorized debits (withdrawals) from their accounts. If an employer has this service on their account, they must contact their financial institution and have ACH transactions identified with the company ID 9044021793, which authorizes UIA to debit the account. **Failure to do this prior to making a payment through MiWAM will result in UIA not being able to receive the electronic payment.**

To make a payment, an employer must first log in to their MiWAM account which can be accessed through the UIA website at www.michigan.gov/uia and establish a payment profile. When ready to make a payment, click on the "Pay" button next to the quarter you wish to pay and complete the required fields. (For First and Last Name fields, if the account belongs to a business named ABC Corp., "ABC" would be typed in the First Name field and "Corp." would be typed in the Last Name field.) Do not enter any of the banking information at the bottom of the screen as your payment profile provides this information. **Please note that the payment date selected will be considered the date "received" by the Agency.**



For technical questions on paying taxes through the ACD Debit option, please contact MiWAM Support at (313) 456-2188, 8 am to 5 pm, Monday through Friday or through email at MiWAMSupport@michigan.gov.

Bulk Payments

The Bulk Payment feature allows Michigan UIA tax payers to authorize a single payment and submit a file indicating how the payment should be allocated for multiple employers through their MiWAM account. Only web account users who are directly authorized to file and pay on behalf of the employer, or have a Power of Attorney on file with UIA for the employer, can use this function. This function can also be used for reimbursement payments.

The fixed-length file format shown below provides the information needed to allocate the authorized payment.

Bulk Payments - General Information and Instructions, cont'd.

The fixed-length file format shown below provides the information needed to allocate the authorized payment.

BULK PAYMENT BATCH/FILE HEADER

Field Name	Data Type Size	Format	Description
Record Type	String	1 X(1)	Acceptable value is the letter H. Identifies the record as a header record
Number of Payments	Integer	7 9(7)	Recon Field – Should match the total number of payments in the batch. This numeric field should be left-filled with zeros if the number of payments is less than the maximum field length.
Total Payment Amount	Integer	13 9(11)V9	Recon Field – Should match the total number of all payments in the batch. This numeric field should be left-filled with zeros if the payment amount is less than the maximum field length.
		21	

BULK PAYMENT DETAIL RECORD

Field Name	Data Type Size	Format	Description
Record Type	String	1 X(1)	Acceptable value is the letter P. Identifies the record as a detail record
Employer Number	Integer	10 9(10)	Combines the employer number and multi-unit number
Quarter Ending	Integer	5 QCCYY	Q = 1, 2, 3 or 4 and the four-digit year
Payment Amount	Integer	13 9(11)V99	This numeric field should be left-filled with zeros if the payment amount is less than the maximum field length.
Payment Type	String	1 X(1)	Acceptable payment values are: R = Report, L = Loose, V = Voluntary*
		30	

* **Report Payment** (R) – a payment received for a designated quarter for the payment of unemployment tax, penalty and/or interest.

Loose Payment (L) – a payment received <u>without</u> a designated quarter for the payment of unemployment tax, penalty and/or interest.

Voluntary Payment (V) – please refer to Section 19 of the MES Act regarding voluntary payments.

ACH Credit Transmissions

The ACH Credit feature allows the employer to authorize payments to the UIA to pay unemployment quarterly taxes or reimbursements using both the National Automated Clearance House Association (NACHA) Cash Concentration & Disbursement (CCD)+ and Corporate Trade Exchange (CTX) standard formats. You must contact your bank in advance to notify them of your ACH transfer amount. Most banks require at least 24 hours lead time. Please contact your bank for specific deadlines.

UIA treats each employer account number as a separate entity. Therefore, if you are submitting a payment for multiple UIA account numbers, a separate addenda record must be submitted for each account. Use the CTX format if you are submitting a payment with multiple addenda records. (The maximum number of addenda per transmission is 99.)

Your bank will need the following information for the transaction:

<u>**State of Michigan (UIA) Information**</u>

Bank Account Number	270766842
Bank Routing Number	021409169

Bulk Payments - General Information and Instructions, cont'd.

COMPANY/BATCH HEADER RECORD (5)			ENTRY DETAIL RECORDS (6)	
Field 3 Originating Company Name	**Field 4** Company Discretionary Data	**Field 5** Originating Company Identification	**Field 3&4** UIA's Bank Transit & Routing Number	**Field 5** UIA's Bank Account Number
Your Company Name	270766842	Your Company UIA Number or FEIN	021409169	270766842

The UIA has adopted the following format for the addendum portion of the transaction (7 record):

Field	Contents
Segment Identifier (includes Record Type Code)	"705TXP"
Separator	"*"
TXP01	State of Michigan Unemployment Agency 10-digit assigned employer account number
Separator	"*"

TXP02	Tax Type Code:
	• If CCD+:
	  ○ 13000 for Report Payment
	  ○ 13010 for Loose Payment**
	• If CTX:
	  ○ 13020 for Report Payment
	  ○ 13030 for Loose Payment**

Separator	"*"
TXP03	Period for which tax was accrued in "YYMMDD" format. Must be the final day of the quarter the payment is intended for. Valid dates for 2012 include: **120331** / **120630** / **120930** / **121231**
Separator	"*"
TXP05	Amount of tax being paid "$$$$$$$$cc" format ("cc"), cents must be filled in even if you transfer whole dollar amounts (do not include a decimal). For example, if the tax amount is $123.45, then enter 12345
Terminator	"\"

** **Loose Payment** – a payment received without a designated quarter for the payment of unemployment tax, penalty and/or interest.

Compliance with filing Form UIA 1028, Employer's Quarterly Wage/Tax Report, online through MiWAM will help ensure efficient processing of the employer's quarterly tax report and payment.

For more information, employers may call the UIA Office of Employer Ombudsman (OEO) at either 1-855-484-2636 (4-UIAOEO) or 1-313-456-2300, or email OEO@michigan.gov. For information on how to set up a MiWAM account, please access the MiWAM Toolkit at www.michigan.gov/uia.

Frequently Asked Questions
about Client Level Reporting

Q: What if I have multiple PEOs?

A: Each PEO can be established with its own clients. If the PEO has no employees of its own, it can be established as a representative to file on behalf of its clients. A PEO can use a personal Social Security Number in lieu of a Federal Employer ID (FEIN) number.

Q: What if I use a specific company only to file payroll for affiliate PEO companies?

A: The company filing the payroll is a service provider and can have a power of attorney established with each client for whom it will be filing payroll. The company must establish a MiWAM account to establish access to a client. For instructions on how to establish a MiWAM account, view or download the MiWAM Toolkit for Employers at michigan.gov/uia.

Q: What if I get new clients or some clients leave my PEO?

A: The PEO must provide an update to its client list using Form UIA 1003 each quarter when there is a change to its clients, either clients have left the PEO, or new clients have been added. The PEO must also submit an updated client file through MiWAM. Clients should not be removed from MiWAM access until all necessary filings have been submitted.

Q: If a PEO has a pending appeal regarding the UIA employer account number for their organization, can the PEO utilize the electronic filing method required in Public Act 383?

A: If a PEO has a pending appeal regarding the only UIA employer account number being recognized by the Agency, and the PEO does not want to use that employer account number, then the PEO cannot file electronically until the issue has been resolved. For a PEO to use client-level reporting, the PEO must have only one active UIA employer account number.

Q: For PEOs that convert to client-level reporting, will benefit charges be incurred while the claimant was employed by the PEO be charged to the PEO or the client UIA account number?

A: Benefits will be charged to the UIA employer account number of the PEO that originally reported the wages, just as a client account continues to be charged for benefits based on wages it reported prior to joining the PEO.

Frequently Asked Questions
about Client Level Reporting

Q: Do PEOs needs to submit a client listing (like service providers do), or do they only need to submit form UIA 1003, PEO Client Level Update?

A: Form UIA 1003 is used to establish a client/PEO relationship. Typically, some PEO clients are already registered with the UIA, so they may not need a registration report or they may need sub-accounts if both the client and the PEO will each be reporting a portion of the payroll. All clients should be listed on Form UIA 1003 to allow the client/PEO relationship to be established at the Agency.

The client file process must be utilized in MiWAM to establish the e-filing relationship.

Q: What is the status of the 940 Certification issue for PEOs and their clients?

A: The Agency must make a finding as to which co-employing entity, the PEO or the PEO's client, is in control of the payment of wages to the leased employees and, specifically, whether the PEO's payment of wages to the leased employees is contingent upon the PEO having first received such funds from its client entities.

To make such a finding, the Agency requires each PEO claiming the FUTA tax credit to provide the Agency with a statement signed by an owner, officer, or director of the PEO certifying that the payment of wages to the leased employees by the PEO is not contingent upon the payment, in advance, of any fee or other amount for that purpose by the client entity.

Form UIA 5326, Certification By PEO Regarding Payment of Wages to Leased Employees, should be completed and returned to the Agency.

Q: The PEO is required to file quarterly tax reports for each of its clients. Does this also apply to amendments (UIA 1028)?

A: Yes, the PEO may file all reports on behalf of its clients.

Q: How do I register a client with multiple locations?

A: To register a client with multiple locations, contact PEO@michigan.gov.

Additional Information

Tax Rates and the Obligation Assessment

For employers who became contributing employers on or after January 1, 2013, the following Tax Rate Table applies:

Table A-2 – Non-construction Employers	
Year of Contribution Liability	Contribution Rate
1	2.7% + 1/3 (Chargeable Benefits Component)
2	2.7% + 2/3 (Chargeable Benefits Component)
3 and over	CBC + ABC + NBC

Table B-2 – Construction Employers	
Year of Contribution Liability	Contribution Rate
1	1/3 (CBC) + Average Construction Contractor Rate
2	2/3 (CBC) + Average Construction Contractor Rate
3 and over	CBC + ABC + NBC

Additional Information

2014 Obligation Assessment

Unemployment Tax Rate	Obligation Assessment Rate	Unemployment Tax Rate	Obligation Assessment Rate	Unemployment Tax Rate	Obligation Assessment Rate
0.06%	0.68%	3.30%	1.18%	6.90%	1.73%
0.07%	0.68%	3.40%	1.19%	7.00%	1.75%
0.08%	0.68%	3.50%	1.21%	7.10%	1.76%
0.09%	0.68%	3.60%	1.22%	7.20%	1.78%
0.10%	0.68%	3.70%	1.24%	7.30%	1.79%
0.20%	0.70%	3.80%	1.25%	7.40%	1.81%
0.30%	0.71%	3.90%	1.27%	7.50%	1.82%
0.40%	0.73%	4.00%	1.28%	7.60%	1.84%
0.50%	0.75%	4.10%	1.30%	7.70%	1.85%
0.60%	0.76%	4.20%	1.31%	7.80%	1.87%
0.70%	0.78%	4.30%	1.33%	7.90%	1.88%
0.80%	0.79%	4.40%	1.35%	8.00%	1.90%
0.90%	0.81%	4.50%	1.36%	8.10%	1.92%
1.00%	0.82%	4.60%	1.38%	8.20%	1.93%
1.10%	0.84%	4.70%	1.39%	8.30%	1.95%
1.20%	0.85%	4.80%	1.41%	8.40%	1.96%
1.30%	0.87%	4.90%	1.42%	8.50%	1.98%
1.40%	0.88%	5.00%	1.44%	8.60%	1.99%
1.50%	0.90%	5.10%	1.45%	8.70%	2.01%
1.60%	0.91%	5.20%	1.47%	8.80%	2.02%
1.70%	0.93%	5.30%	1.48%	8.90%	2.04%
1.80%	0.95%	5.40%	1.50%	9.00%	2.05%
1.90%	0.96%	5.50%	1.52%	9.10%	2.07%
2.00%	0.98%	5.60%	1.53%	9.20%	2.08%
2.10%	0.99%	5.70%	1.55%	9.30%	2.10%
2.20%	1.01%	5.80%	1.56%	9.40%	2.12%
2.30%	1.02%	5.90%	1.58%	9.50%	2.13%
2.40%	1.04%	6.00%	1.59%	9.60%	2.15%
2.50%	1.05%	6.10%	1.61%	9.70%	2.16%
2.60%	1.07%	6.20%	1.62%	9.80%	2.18%
2.70%	1.08%	6.30%	1.64%	9.90%	2.19%
2.80%	1.10%	6.40%	1.65%	10.00%	2.21%
2.90%	1.11%	6.50%	1.67%	10.10%	2.22%
3.00%	1.13%	6.60%	1.68%	10.20%	2.24%
3.10%	1.15%	6.70%	1.70%	10.30%	2.25%
3.20%	1.16%	6.80%	1.72%		

This list is updated annually - visit michigan.gov/uia for updates.

Rick Snyder, Governor
State of Michigan

LICENSING AND REGULATORY AFFAIRS
CUSTOMER DRIVEN. BUSINESS MINDED.
Steve Arwood, Director

Unemployment Insurance Agency
Shaun Thomas, Director

www.michigan.gov/uia

The Unemployment Insurance Agency is an equal opportunity employer/program.
Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

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